

Prepared By/Mail To: Alan B. Hewett, Hewett & Wood, P.A.,
Post Office Box 369, Selma, NC 27576

**NORTH CAROLINA
JOHNSTON COUNTY**

**RESTRICTIVE COVENANTS
TWISTED OAKS SUBDIVISION
Plat 68 Pages 3-4 – Phase II
Plat 68 Pages 191 - 194 – Phase III
SINGLE FAMILY DWELLINGS**

KNOW ALL MEN BY THESE PRESENTS, that JDG INVESTMENTS, INC., (hereinafter "Declarant") and Homes By Greg Johnson, Inc. and Cambridge Builders of Johnston County, Inc. (Lot Owners in Phase II) parties of the first part, do hereby covenant and agree to and with all other persons, firms or corporations who now own or may hereafter acquire any Lots in Twisted Oaks Subdivision, a subdivision in Cleveland Township, Johnston County, North Carolina, a map of which is recorded in Plat Book 68, Pages 3-4 representing Phase II and Plat Book 68, Pages 191 – 194 representing Phase III, Johnston County Registry, that all of said Lots designated as single family Lots shall be and are hereby made subject to the following restrictions as to the use thereof, running with said property by whomsoever owned and be binding upon all parties having any right, title or interests in the described properties or any part thereof, their heirs, successors and assigns, and shall inure to the benefit of each Owner thereof. The Covenants and restrictions are as follows:

1. No Lot designated as a single family Lot shall be used except for residential purposes, and no building shall be so erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling not to exceed two and one-half stories in height and a private garage for not more than three cars.

2. These covenants shall apply to all Lots in the subdivision and any subsequent phase of the Twisted Oaks Subdivision. Phase II of the Subdivision is depicted upon Plat Book 68, Pages 3-4 and Phase III is depicted upon Plat Book 68, Pages 191-194 of the Johnston County Registry to which plat reference is hereby made for a full and complete description of said Lots for Phase II and III. Also included are all of those parcels of land labeled "Open Space" as shown upon the recorded subdivision plats for which reference is hereby made for a full and complete description of said Open Space. However, the Open Space shall only be subject to the terms, provisions and restrictions set forth in Paragraph 17 of these Restrictive Covenants. "Owner" shall be defined as any individual or entity that is conveyed a Lot or Lots in Twisted Oaks Subdivision by Declarant.

3. Any house or residential dwelling constructed upon any Lot in the subdivision shall have a minimum heated square feet total of 1600 square feet. In the sole discretion of the Declarant, there may be a variance of no more than five percent (5%) regarding the square footage of any dwelling constructed in the subdivision. All foundations of any dwelling shall be constructed of brick or any other material approved by Declarant.

4. Set back regulations on all Lots shall be as required by Johnston County Zoning Ordinances. Impervious limitations shall be restricted to the limits as set forth on the recorded plats for the subdivision. All information regarding reserved easements and septic permits are set forth on the recorded plats for the subdivision. A portion of subdivision and the Open Space in the subdivision is subject to a 50' Riparian Buffer Area as depicted on the recorded subdivision plats.

5. Easement for Utilities. There is hereby reserved to Declarant and its Assignees a blanket easement upon, across, above and under all property within the community for access, ingress, egress, installation, repairing, and maintaining all utilities serving the community or any portion thereof, including, but not limited to, signs, gas, water, sanitary, sewer, telephone and electricity, as well as storm drainage and any other service such as, but not limited to, a master television antenna system, cable television system, or security system which the Declarants might decide to have installed for either of themselves or their designee, as the case may be, to install, repair, replace, and maintain or to authorize the installation, repairing, replacing, and maintaining or to authorize the installation, repairing, replacing and maintaining of such wires, conduits, cables and other equipment related to the providing of any such utility or service. Should any party requesting such utility or service, request a specific license or easement by separate recordable document, the Declarants shall have the right to grant such easement. In addition, Declarant reserves the right to subject the real property in the subdivision to a contract with Progress Energy or any other power company for the installation of street lighting, which requires a continuing monthly payment to Progress Energy or other power company by each Lot Owner being a residential customer.

6. Construction and Sale Period. Notwithstanding any provisions contained in this Declaration, use restrictions, and any amendments to any of the foregoing, Declarants hereby expressly reserve unto themselves and their successors and assigns a non-exclusive, perpetual right, privilege, any easement with respect to the community for the benefit of Declarants, their successors, and assigns, over, under, in and/or on the community, without obligation and without charge to Declarants, for the purposes of taking all actions related to or connected with construction, installation, relocation, development, sale, maintenance, repair, replacement, use and enjoyment, and/or otherwise dealing with the community and any other property now owned. The reserved easement shall constitute a burden on the title to the community and specifically includes, but is not limited to:

A. the right of access, ingress, and egress for vehicular and pedestrian traffic over, under, on or in the community; and the right to tie into and/or otherwise connect and use (without a tap-on or any other fee for so doing), replace, relocate, maintain, and repair any device which provides utility or similar services, including, without limitation, electrical, telephone, natural gas, water, sewer, and drainage lines and facilities constructed or installed in, on, under, and/or over the community; and

B. the right to construct, install, replace, relocate, maintain, repair, use, and enjoy signs, model residences, and sales offices in the community;

C. no rights, privileges, any easements granted or reserved herein shall be merged into the title of any property, including, without limitation, the community, but shall be held independent of such title, and no such right, privilege or easement shall be surrendered, conveyed, or released unless and until and except by delivery of a quit-claim deed from Declarants releasing such right, privilege, or easement by express reference thereto.

D. Declarant reserves the right and option to alter, change or convert any Lot in the subdivision into an area for ingress, egress or for a utility easement.

7. No Lots shall be re-subdivided nor shall any portion of a Lot be conveyed to reduce its size without the express written consent of the Declarant, which may be withheld. As long as Declarant owns a Lot in the subdivision, Declarant, its successors and assigns may alter, amend or change any Lot size or dimension in the subdivision.

8. No noxious or offensive activity shall be carried on upon any Lot, nor shall anything be done thereon which may be or become an annoyance or nuisance to the neighborhood. No commercial or business activity shall be conducted on any Lot that does not conform to the land use ordinances for Johnston County. The discharging of any firearm in subdivision is prohibited.

9. Animals. No animals, livestock or poultry of any kind may be raised, bred, kept, or permitted on any lot, with the exception of the following pets: (2) dogs; (2) cats; (2) birds; and (2) other usual or common household pets. Pets are not permitted to roam free or endanger the health of the community, making objectionable noise, or constitute a nuisance or inconvenience. No pets shall be kept, bred or maintained for any commercial purpose.

10. Signs. No sign of any kind, including yard sale signs, shall be displayed to the public view on any Lot except one professional sign of not more than five (5) square feet advertising the property for sale or rent, or signs used by builders or developers to advertise the property during the construction and sales period. This covenant shall not apply to any subdivision entrance sign installed by Declarant at any designated sign easement area set forth on the recorded plats or for signs erected by Homes By Greg Johnson, Inc. or Cambridge Builders, Inc. during construction. Entrance signs shall be maintained by the Open Space Committee as set forth in Paragraph 17.

11. Garbage, Clothesline, Woodpiles and Maintenance. All Lots, whether occupied or unoccupied, shall be well-maintained and no unattractive growth or accumulation of rubbish, debris, woodpiles, or building materials shall be permitted. Trash, garbage or other waste shall not be kept except in sanitary containers. All incinerators or other equipment for the storage or disposal of such material shall be kept in a clean and sanitary condition. All garbage containers and other similar items shall be located or screened so as to be concealed from view of neighboring Lots, streets, or passing vehicles; provided garbage containers may remain on the curbside for up to twelve (12) hours on days of scheduled curbside pick up. No Lot shall have a clothesline or similar obstruction used for the drying of clothing. The following provisions shall also apply:

A. All Lot Owners shall upkeep and maintain the grass, vegetation and landscaping for each Lot, whether the Lot is occupied or unoccupied or constructed upon (vacant).

B. Any Lot that has a utility easement, drainage easement, access easement, sewage easement or any other type of easement as depicted and described on the Twisted Oaks Subdivision Plats Phase II and III per the recorded plats referred to herein shall also be kept and maintained by each individual Lot Owner.

C. Regarding the maintenance and upkeep of the easement or open space areas, nothing herein shall prevent the Lot Owners from creating a common maintenance fund to have these areas cut and maintained by one source on a scheduled basis as set forth in Paragraph 17.

D. The subdivision contains Riparian Buffer Areas as identified on the recorded plat. No clearing, excavating or other restricted activities can take place in these areas without prior approval from the NCDENR Division of Water Quality or other applicable agency having jurisdiction.

E. All Lot owners or approved Builders prior to the issuance of a certificate of occupancy for any dwelling shall sod with grass or vegetation approved by Declarant the front yard ditch area as specified by Declarant or its agents.

12. Satellite Dish and Antennas. Only satellite dishes twenty-four inches (24") in diameter or smaller are permissible. No exterior antennas shall be placed, allowed, or maintained upon any portion of the community, including any Lot.

13. No unlicensed motor vehicle shall be allowed to stand on any Lot, street, or street right of way for more than forty-eight (48) hours. No stripped, partially wrecked, or junk motor vehicles, or part thereof, shall be permitted to be parked or kept on any street, right of way or Lot, in such a manner as to be visible to the occupants of other Lots or the users of any street. No trucks, cars, other automobiles, or trailers of any kind shall be parked in the streets or along the street right of way.

14. All driveway connections and right-of-way areas for each Lot shall be installed to meet the Johnston County Ordinances and the North Carolina Department of Transportation (NCDOT) "Typical Driveway Turnout Grades" and the driveway pipe shall be installed to meet Johnston County and the NCDOT specifications and standards. Any Lot Owner shall comply with the special installation provisions required by Johnston County for driveway installations as depicted on the recorded plat. Until the streets are publicly dedicated and accepted by the NCDOT, it shall be the sole responsibility of each Lot owner to comply with whatever is required by NCDOT to accept the streets to and including grading, landscaping placement of driveway pipe. In the event a Lot owner fails to comply with any requirement imposed by NCDOT within 60 days of written notification from Declarant, its representatives, or the Open Space Committee, this provision shall be enforced pursuant to Paragraph 17(c).

15. No trailer, basement, tent, shack, garage, barn, or other out building erected on the tract shall at any time be used as a residence temporarily or permanently nor shall any structure of a temporary character be used as a residence on the property. No slab, mobile homes, manufactured or modular homes shall be permanently or temporarily located on a Lot. All houses shall be "stick built" and no house shall be moved onto any Lot. The following provisions shall also apply:

A. No trailer, tent, shack, or barn shall be erected or placed on any Lot covered by these covenants. No storage shed shall be permitted on any Lot covered by these covenants unless approved by the Declarant. No such building shall be built of old materials. All storage buildings must use new materials. All playground equipment and storage buildings shall be placed to the rear of the main dwelling structure. No underground storage tanks are allowed. All fuel or propane tanks must be placed above ground level and the same will be screened on three sides by a lattice type material to prevent view from the main road. Only in ground pools are permissible and must be located in the back yard and approved by Declarant. No above ground pools are allowed.

B. Recreational vehicles, camping trailers, truck camping shells and boats are permitted; however; they shall be parked or located in the garage or rear of the dwelling. The riding or use of any ATV; go-cart, dirt bike, and other gas powered motorized vehicle is prohibited in the subdivision. This provision does not apply to a street approved motorcycle. No tractor-trailer (18 wheeler) or similar type vehicle shall be parked or permitted in the subdivision.

16. Fencing, etc. Only a white vinyl picket style fence not to exceed a height of three (3) feet shall be allowed in the front yard of the dwelling. Fencing made of wood, vinyl, vinyl coated chain link fence or other material approved by Declarant is permissible at the rear corners of the dwelling in the back yard, provided it does not exceed a height of six (6) feet. No hog wire, or chicken wire fencing shall be allowed on any portion of the property subject to these protective covenants, except Declarant may approve a single strand wire fence for any Lot that permits horses. Any fencing erected for use as a dog or animal pen shall be located at the rear of the dwelling constructed on the Lot. No building, outside lighting, newspaper box, screen planting, fence or fencing or any improvements shall be erected, place or altered on any property located within the subdivision including any building site or street right of way that does not comply with the Johnston County building or zoning ordinances or any other governmental entity that may have jurisdiction.

17. TWISTED OAKS OPEN SPACE MAINTENANCE: The Open Space Areas are depicted on the map for Twisted Oaks Subdivision, Phase II and III, which are recorded in Plat Book 68, Pages 3-4 and Plat Book 68, Pages 191-194 of the Johnston County Registry. The Open Space contains a 50' Riparian Buffer Area. Declarant hereby reserves an easement for itself, successors and assigns and grants and conveys to Twisted Oaks Open Space Committee (the "Committee"), its successors and assigns an easement across said Open Space Area to maintain, repair and improve such Open Space Area. By acceptance of a Deed to each Lot in Twisted Oaks Subdivision, each Lot Owner shall acquire a tenant-in-common Ownership interest in the Open Space Area. The Committee shall be solely responsible for the maintenance, upkeep and improvement of such Open Space Area. All Lot Owners shall share the upkeep, maintenance and ad valorem taxes for the open space equally. In the event Owner acquires more than one Lot, Owner shall be responsible for the open space according to the number of Lots owned. The following shall also apply:

- A. Beginning in December 2006 and for each year thereafter, an annual meeting may be held, at a place within the subdivision of all record Owners of Lots in the subdivision on the first Saturday in December to elect three (3) members of the Committee. The Committee shall have the duty and responsibility to budget for, maintain and enhance the Open Space Area as may be necessary and feasible and to collect all the costs involved therein from the Lot Owners on a Lot pro rata basis including the costs of electricity, water, lighting and irrigation (if any) within the Open Space Area. The Open Space Committee shall set the maximum annual maintenance assessment for each Lot at the annual meeting and notify each Lot Owner in the subdivision by first class mail of the amount of the maintenance assessment.
- B. Each Lot Owner shall be responsible for keeping his or her mailing address current with the Committee and the Committee may rely upon such information for purposes of mailing statements for the annual maintenance assessment. Each Lot Owner within the subdivision, by acceptance of a deed therefore, whether or not it is expressed in such deed, is deemed to covenant and agree to pay to the Committee said annual maintenance assessment for the Open Space Area.
- C. Failure of any Lot Owner to pay the annual maintenance assessment within sixty (60) days of the mailing of the statement of the Committee shall constitute a failure to pay for labor and materials contemplated by North Carolina General Statutes 44A-7, et seq. and the Committee or any other Owners shall be entitled to proceed against the nonpaying Lot Owner to perfect and enforce the lien as provided by North Carolina General Statutes 44A-11, et seq. This right inures to the benefit of the Committee and Lot Owners for the cost of any maintenance, repair and improvement of the Open Space Area provided such cost is authorized in accordance with this Paragraph. In the event the Committee hires legal counsel to enforce this provision, the defaulting Lot Owner shall be responsible for reasonable attorney fees and court costs, if an incurred.
- D. Declarant, its successor and assigns and any Builder in the subdivision shall be exempted from the annual assessment as long as Declarant owns any Lot in the subdivision.
- E. All phases of the subdivision shall be subject to the Open Space Committee. A vote of fifty-one percent (51%) of the Lot Owners in any phase of the subdivision shall be adequate to form the Committee.

18. These covenants are to run with the land and shall be binding on all parties and all persons claiming under them for a period of thirty (30) years after the date these restrictive covenants are recorded, after which said restrictive covenants shall be automatically extended for successive periods of ten (10) years unless an instrument signed by not less than seventy-five percent (75%) of Lot Owners has been recorded agreeing to change said covenants in whole or in part.

19. Enforcement shall be by proceedings at law or in equity against any person violating or attempting to violate any covenant either to restrain violation or to recover damages. The Court may award attorney's fees, plus any costs, to the prevailing party in any subsequent civil action. Failure by the Declarant or by any Owner to enforce any covenant or restriction herein contained shall in no event be deemed a waiver of the right to enforce the same. Any action filed to enforce these covenants shall be filed in the District or Superior Court of Johnston County, North Carolina. In no event shall Declarant be responsible for enforcing these covenants after a period of twelve (12) months has elapsed since Declarant's conveyance of the last Lot for Phase II and III.

20. Invalidation of one of these covenants by judgment or court order shall in no way affect any of the other provisions, which shall remain in full force and effect. While the Declarant owns any Lot in the subdivision, or for such shorter period as allowed by law, Declarant shall have the absolute right to amend these Protective Covenants, which amendment or amendments shall be binding upon all property Owners within the subdivision. Thereafter, these Protective Covenants may be amended by an instrument signed by not less than seventy-five percent (75%) of Lot Owners.

{SIGNATURE PAGE TO FOLLOW}

IN WITNESS WHEREOF, the parties of the first part have hereunto set their hands and seals, this 12th day of May 2006.

DECLARANT:

JDG INVESTMENTS, INC.

BY: [Signature] (SEAL)
Donald Millard, President

HOMES BY GREG JOHNSON, INC.

BY: [Signature] (SEAL)
Greg Johnson, President - Lot Owner, Phase II

CAMBRIDGE BUILDERS, INC.
OF JOHNSTON COUNTY

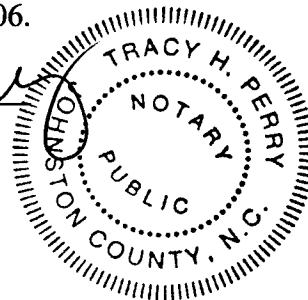
BY: [Signature] (SEAL)
G. Thomas Dees, Jr. President - Lot Owner, Phase II
Vice

NORTH CAROLINA
JOHNSTON COUNTY

I, a Notary Public in and for said County and State, do hereby certify that DONALD E. MILLARD, personally came before me this day and acknowledged that he/she is President of JDG INVESTMENTS, INC., a corporation, and that he as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and notarial seal/stamp, this 11th day of May 2006.

[Signature]
Notary Public

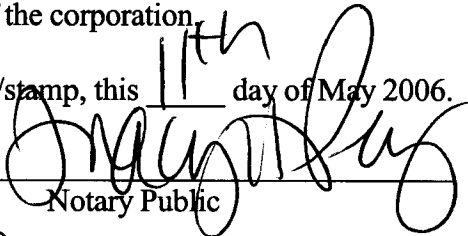


My commission expires: 8/2010

NORTH CAROLINA
JOHNSTON COUNTY

I, a Notary Public in and for said County and State, do hereby certify that GREG JOHNSON, personally came before me this day and acknowledged that he/she is President of HOMES BY GREG JOHNSON, INC., a corporation, and that he as President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and notarial seal/stamp, this 11th day of May 2006.



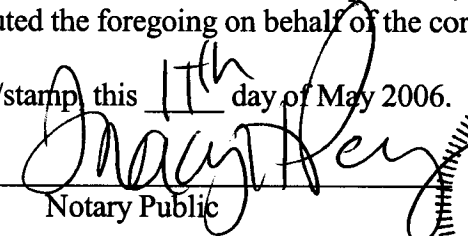
Notary Public

My commission expires: 8.2.2010

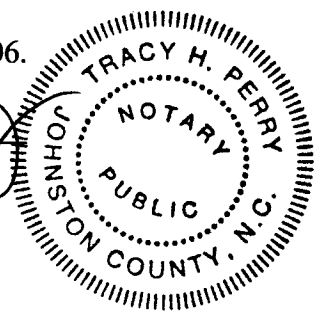
NORTH CAROLINA
JOHNSTON COUNTY

I, a Notary Public in and for said County and State, do hereby certify that G. Thomas Dees, Jr., personally came before me this day and acknowledged that he is Vice President of CAMBRIDGE BUILDERS OF JOHNSTON COUNTY, INC., a corporation, and that he as Vice President, being authorized to do so, executed the foregoing on behalf of the corporation.

Witness my hand and notarial seal/stamp, this 11th day of May 2006.



Notary Public



My commission expires: 8.2.2010